



## EUROPEAN COMMISSION

DIRECTORATES-GENERAL  
REGIONAL AND URBAN POLICY  
EMPLOYMENT, SOCIAL AFFAIRS AND INCLUSION  
MARITIME AFFAIRS AND FISHERIES  
MIGRATION AND HOME AFFAIRS

### Commission Explanatory Note

## **N+3 decommitment in 2021–2027** **under Articles 105-107 of Regulation (EU) 2021/1060**

(Methodology and procedure)

#### ***DISCLAIMER***

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# N+3 decommitment in 2021–2027

## under Articles 105-107 of Regulation (EU) 2021/1060

(Methodology and procedure)

**The structure of this explanatory note is as follows:**

- the first part describes the different steps of the decommitment procedure under Articles 106 and 107 CPR<sup>1</sup>;
- the second part sets out how the decommitment risk at the level of a programme is calculated under Article 105 CPR;
- the third part describes how the decommitment is applied in compliance with the applicable regulatory framework.

The methodology and procedure described in this note apply to all the Funds covered by the CPR, unless specifically indicated. The Funds in scope are the following: the European Regional Development Fund (ERDF), the European Social Fund Plus (ESF), the Cohesion Fund (CF), the Just Transition Fund (JTF), the European Maritime, Fisheries and Aquaculture Fund (EMFAF), the Asylum, Migration and Integration Fund (AMIF), the Internal Security Fund (ISF) and the Instrument for Financial Support for Border Management and Visa Policy (BMVI).

### 1. Decommitment procedure

*Article 105 CPR: “The Commission shall decommit any amount in a programme which has not been used for pre-financing, in accordance with Article 90, or for which a payment application has not been submitted, in accordance with Articles 91 and 92, by 31 December of the third calendar year following the year of the budget commitments for the years 2021 to 2026.*

*The part of commitments still open on 31 December 2029 shall be decommitted if the assurance package and the final performance report for programmes supported by the ERDF, the ESF+, the Cohesion Fund, the JTF and the EMFAF have not been submitted to the Commission by the time limit set out in Article 43(1).”<sup>2</sup>*

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<sup>1</sup> Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy.

<sup>2</sup> For the AMIF, BMVI and ISF, the assurance package for the last accounting year should contain also the last annual performance report (Article 98(8) CPR).

## Steps and timing:

For the annual budgetary commitments for the years 2021 to 2026<sup>3</sup>:

### ➔ *Information to be sent from the Commission to the Member State*

- ❖ The CPR does not require a formal warning letter to be sent to the Member States. However, in line with practice established in the previous programming period, the Commission should inform the Member States through a warning letter in year N+3 regarding the amounts at risk of decommitment (i.e. commitments not yet covered by pre-financings or payment applications). This alerts Member States to submit the necessary payment application(s) before the end of the year N+3 in order to avoid decommitment. The warning letter to the Member States (as well as any subsequent email/letter) will be sent only where there is a risk of decommitment and is for information only. Member States are not requested to formally reply to these documents.
- ❖ The annex to the warning letter contains detailed information for each programme at risk of decommitment.
- ❖ In February of year N+3 the warning letter, taking account of the payment applications submitted until 31 December of year N+2, is sent to the Permanent Representation to the EU of the Member State in question with a copy by email to the Managing Authority of the programme concerned. In the autumn of year N+3 a reminder via email or Ares note, explicitly stating that it presents an updated situation of the risk, is to be sent to the Member States.
- ❖ In early January of year N+4, the situation is (re)assessed, based on the financial outcome of year N+3, and Member States are informed, via email or Ares note, about the final amounts at risk of decommitment, pending the Member State's possible notification of exceptions.

### ➔ *Notifications for exceptions - by 31 January N+4*

*Article 106 (2): "By 31 January, the Member State shall send to the Commission information on the exceptions referred to in points (a) [operations suspended by a legal proceeding or by an administrative appeal having suspensory effect] and (b) [a payment application was not possible to be made for reasons of force majeure seriously affecting implementation of all or part of the programme.] of paragraph 1 for the amount to be declared by 31 December."*

- ❖ The Member State may inform the Commission of the amounts for which it evokes an exception to the CPR provisions (per CCI / Fund / Category of region).
- ❖ The Member State should send a letter via SFC2021 at the latest by 31 January N+4. The letter should contain justifications for the exception and supporting documentation.

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<sup>3</sup> The last year of the programming period i.e. 2027 is not covered by the N+3 decommitment rule and the amounts still open on 31 December 2029 will be decommitted at closure in accordance with Article 105 CPR. Additional information on decommitment rules for the BMVI programmes of the Schengen Associated Countries may be provided at a later stage.

→ *The decommitment letter*

*Article 107 (1): “On the basis of the information it has received as of 31 January, the Commission shall inform the Member State of the amount of the decommitment resulting from that information.”*

- ❖ **The letter informs the Member State that the decommitment procedure under Article 107 of the CPR has been launched.**
- ❖ **It contains the amount(s) to be decommitted.**
- ❖ **The letter is sent via SFC2021 to the relevant Managing Authorities and by e-mail to the Permanent Representation to the EU of the Member State in question.**
- ❖ **The Member State is invited to indicate, via SFC2021, no later than two months from the reception of the letter, if it agrees with the amount(s) to be decommitted, or, if not, to submit observations (Article 107(2) CPR).**

→ *Submission of the revised financial plan – by 30 of June N+4*

*Article 107 (3): “By 30 June, the Member State shall submit to the Commission an amended financing plan reflecting, for the calendar year concerned, the reduced amount of support over one or more priorities of the programme. For programmes supported by more than one Fund, the amount of support shall be reduced by Fund proportionately to the amounts concerned by the decommitment that had not been used in the calendar year concerned.”*

*Article 107 (4): “The Commission shall amend the decision approving the programme no later than 31 October.”*

- ❖ **The Member State should submit the revised financing plan using the programme amendment process in SFC2021 (Article 24 CPR) at the latest by 30 June N+4.**
- ❖ **The revision of the financial tables could be merged with another amendment of a different nature.**
- ❖ **If the Member State fails to submit a revised financing plan by 30 June N+4 in accordance with the requirement set out in Article 107(3) CPR, the Commission shall amend the financing plan by reducing the contribution from the Funds for the calendar year concerned (article 107(3) CPR).**
- ❖ **The Commission will amend the decision approving the programme by means of an implementing act by 31 October N+4.**

**The main changes of the N+3 decommitment rule application in 2021-2027, compared to the regulatory framework of the previous programming period as set by the CPR 2014-2020<sup>4</sup>, are as follows:**

- New funds are covered by this budgetary rule, in line with the CPR 2021-2027 (e.g. JTF, AMIF, BMVI, ISF); by contrast, the EAFRD (European Agricultural Fund for Rural Development) is no longer covered by that rule;

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<sup>4</sup> Regulation (EU) No 1303/2013 of the European Parliament and the Council of 17 December 2013, Article 136.

- New fund sources are introduced, i.e. external assigned revenues under NextGenerationEU providing additional resources to programmes financed under the 2021–2027 Multiannual Financial Framework (MFF)<sup>5</sup>. More information is included in the Section 2;
- Impact of the STEP Regulation<sup>6</sup>: the higher pre-financing and co-financing rates applicable in compliance with the STEP Regulation are expected to significantly contribute to the achievement of the N+3 decommitment targets, especially in year 2025. More details are included in the Section 2 below;
- New timeline for the warning letters: in the framework of the new procedure, the Commission will send a warning letter in February of the year N+3 and a reminder later during the year (in Autumn);
- The final year's commitments (2027) are decommitted at closure, where applicable. Although the approach is similar to the 2014-2020 period, the timeline is different as the closure is planned earlier compared to the previous programming period.

## 2. Calculation of the amount to be decommitted (N+3) at the level of the programme

According to Article 105 (1) CPR, all programmes, where an amount committed is not covered by pre-financing or by payment applications submitted to the Commission during the budgetary years concerned, are subject to a decommitment procedure and the amounts in question are decommitted. As these rules on decommitment do not include any additional provisions requiring the decommitment to be calculated by Fund and – within a Fund – by category of region, where relevant, **the total amount to be decommitted will be calculated at the level of the programme** in accordance with Article 105(1) of the CPR.

As regards the **submitted payment applications**, it should be noted that only the EU contribution amount from a given payment application<sup>7</sup> (including 5% retention<sup>8</sup>) is considered for the decommitment calculation.

The decommitment calculation includes amounts declared in payment applications which are interrupted or affected by a suspension in accordance with Articles 96 and 97 of the CPR. Moreover, the calculation also includes amounts of eligible expenditure linked to specific objectives for which the enabling conditions were not fulfilled, and which were included in Appendix 2 or 3 of the payment application(s).

The results of the examination and acceptance of accounts, including possible recoveries of the balance, will have no impact on the decommitment calculation. Therefore, the offsetting of the recoveries against

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<sup>5</sup> 2014-2020 programmes financed by REACT-EU also benefit from NextGenerationEU resources. However, as the allocation was programmed in years 2021 and 2022, the N+3 decommitment rule does not apply and decommitments can be made only at closure.

<sup>6</sup> Regulation (EU) 2024/795 of the European Parliament and of the Council of 29 February 2024. For the purpose of this document and considering the Funds covered by the N+3 decommitment rule, it should be noted that STEP Regulation applies to ERDF, CF, ESF+ and JTF funds.

<sup>7</sup> Including the amount of technical assistance when reimbursed as flat-rate pursuant to point (e) of Article 51.

<sup>8</sup> According to the CPR, recital 68, Commission payments should be subject to a 5% retention until the payment of the annual balance of accounts when the Commission is able to conclude that the accounts are complete, accurate and true. This provision applies to all the payment applications submitted by Member States.

new payments, whether pre-financing or interim payments, has no impact on the decommitment calculations.

As a consequence, the full pre-financing for each year concerned is taken into consideration, even if recovered later or if only a part of it has been paid out due to, for example, offsetting. The volume of the pre-financing is determined in the applicable regulatory frameworks and in related regulatory amendments in force at the time of the assessment (i.e. Article 90 CPR and sector specific regulations such as ERDF and CF<sup>9</sup>, ESF+<sup>10</sup>, JTF<sup>11</sup>, EMFAF<sup>12</sup>, AMIF<sup>13</sup>, BMVI<sup>14</sup>, ISF<sup>15</sup>).

Submitted payment applications are taken into consideration for the calculation of the automatic decommitments and not the amounts certified in the accounts. This remains valid also for later years, after the submission of the accounts.

The total **amount to be decommitted** at the level of a programme will not, where relevant, make any distinction between Funds (including transfers between Funds<sup>16</sup>), categories of region (including the outermost and northern sparsely populated regions), different sources of funding (NGEU or MFF)<sup>17</sup>.

In addition, for the AMIF, the BMVI and the ISF programmes, the total amount to be decommitted at the programme level will also not distinguish between additional allocations from the Thematic Facility, from the mid-term review based on the HOME Fund-specific Regulations and from the contributions of the Schengen Associated Countries to the programmes. All commitments in a programme, all the pre-financing and all the submitted payment applications for a programme will be considered together for the purpose of calculating the amount to be decommitted.

When determining the amount of the decommitment, the calculation allows for compensation between categories of region and between Funds, where relevant. In other words, for the programmes concerned, covering more than one category of region, this allows that a better performing region can compensate for a category of region that is (initially or temporarily) implementing at a slower pace. The same applies for a multi-fund programme where one Fund is performing better than the other - compensation is possible between Funds.

Regarding technical assistance, for Member States/programmes that use the flat rate option (Article 51 point (e) CPR), the amount of the Funds allocated to technical assistance is identified as part of the financial allocation of each priority of the programme (specific objective for EMFAF programmes). For programmes supported by the AMIF, the BMVI and the ISF, technical assistance takes the form of a specific objective. The decommitment calculation is based on the total financial allocation of the

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<sup>9</sup> Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund.

<sup>10</sup> Regulation (EU) 2021/1057 of the European Parliament and of the Council of 24 June 2021 establishing the European Social Fund Plus (ESF+) and repealing Regulation (EU) No 1296/2013.

<sup>11</sup> Regulation (EU) 2021/1056 of the European Parliament and of the Council of 24 June 2021 establishing the Just Transition Fund.

<sup>12</sup> Regulation (EU) 2021/1139 of the European Parliament and of the Council of 7 July 2021 establishing the European Maritime, Fisheries and Aquaculture Fund and amending Regulation (EU) 2017/1004.

<sup>13</sup> Regulation (EU) 2021/1147 of the European Parliament and of the Council of 7 July 2021 establishing the Asylum, Migration and Integration Fund.

<sup>14</sup> Regulation (EU) 2021/1148 of the European Parliament and of the Council of 7 July 2021 establishing, as part of the Integrated Border Management Fund, the Instrument for Financial Support for Border Management and Visa Policy.

<sup>15</sup> Regulation (EU) 2021/1149 of the European Parliament and of the Council of 7 July 2021 establishing the Internal Security Fund.

<sup>16</sup> Article 26 CPR.

<sup>17</sup> From a decommitment point of view there is no distinction between the different sources of funding. The decommitment, if any, will be carried out on the oldest open budgetary commitment(s). The Member State will be informed by the Commission about the amounts and the split between the different fund sources.

programme, therefore technical assistance reimbursed pursuant to Article 51 point (e) CPR is included in the calculation. As technical assistance reimbursements are made by applying the percentages to the eligible expenditure included in each payment application and a decommitment reduces the support from the Funds, by extension the technical assistance allocation will be reduced proportionally to the reduced amount of non-technical assistance allocation.

The practical implications of the above-mentioned principles are as follows<sup>18</sup> (as the first programmes were adopted only in 2022, the first year of potential N+3 decommitment is 2025<sup>19</sup>):

**a) For 2022 commitments the N+3 decommitment target is 31/12/2025:**

All allocations of the programme until 2022 included (as indicated in the Financial Plan in force on 31/12/2025) covering, where relevant, all Funds (including transfers between Funds), all categories of region, additional allocations from the Thematic Facility or from the contributions of the Schengen Associated Countries to the AMIF, BMVI and ISF programmes, and the allocation for the outermost and northern sparsely populated regions:

- minus the pre-financing for years 2021-2025 due in accordance with applicable legislation and its amendments in force (Article 90 CPR and relevant Fund-specific Regulations)
- minus payment applications drawn up in accordance with Articles 91-92 CPR and submitted by 31/12/2025

for all Funds (regardless of source of funding – NGEU or MFF), all categories of region and the allocation for the outermost and northern sparsely populated regions of the programme.

**b) For 2023 commitments the N+3 decommitment target is 31/12/2026:**

All allocations of the programme up to 2023 included (as indicated in the Financial Plan in force on 31/12/2026) covering, where relevant, all Funds (including transfers between Funds), all categories of region, additional allocations from the Thematic Facility or from the contributions of the Schengen Associated Countries to the AMIF, BMVI and ISF programmes, and the allocation for the outermost and northern sparsely populated regions:

- minus the pre-financing for years 2021-2026 due in accordance with applicable legislation and its amendments in force (Article 90 CPR and relevant Fund-specific Regulations)
- minus payment applications drawn up in accordance with Articles 91-92 CPR and submitted by 31/12/2026

for all Funds (regardless of source of funding – NGEU or MFF), all categories of region and the allocation for the outermost and northern sparsely populated regions of the programme.

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<sup>18</sup> a) There were no programmes adopted in 2021, therefore, in line with Article 7 of the Council Regulation (EU, Euratom) No 2020/2093, the 2021 tranche of all programmes have been reprogrammed and their Financial Plans reflect revised financial planning with zero allocation in 2021 and increased allocations for years 2022-2025.

b) Programmes adopted no later than on 31 December 2022 have a separate 2022 and 2023 tranche for JTF – NGEU source of funding in the Financing Plan, so the allocation of 2022 constitutes a N+3 target for end of 2025 and the allocation of 2023 contributes to a 2026 target.

c) Programmes ready for adoption at the end of December 2022, but adopted in 2023 and for which commitments of 2022 were carried over to 2023 and committed up to 31 March 2023 (programmes adopted in carry-over procedure) have also a separate 2022 and 2023 tranche in the Financing Plan. However, for the purpose of the decommitment these programmes will have no 2025 target as the budgetary commitments were made in 2023 for both 2022- and 2023-year tranches, and will have a double 2026 target, which is the third financial year following the year of the budgetary commitment.

<sup>19</sup> For the BMVI programmes of the Schengen Associated Countries, the first year of potential decommitment will depend on the year in which the Commission will approve the initial programme and the calculation will be done by analogy to the calculations described in this note. Further details in this regard may be provided at a later stage.

**c) For 2024 commitments the N+3 decommitment target is 31/12/2027:**

All allocations of the programme up to 2024 included (as indicated in the Financial Plan in force on 31/12/2027) covering, where relevant, all Funds (including transfers between Funds), all categories of region, additional allocations from the Thematic Facility or from the contributions of the Schengen Associated Countries to the AMIF, BMVI and ISF programmes, and the allocation for the outermost and northern sparsely populated regions:

- minus the pre-financing for years 2021-2026 due in accordance with applicable legislation and its amendments in force (Article 90 CPR and relevant Fund-specific Regulations)
- minus payment applications drawn up in accordance with Articles 91-92 CPR and submitted by 31/12/2027

for all Funds (regardless of source of funding – NGEU or MFF), all categories of region and the allocation for the outermost and northern sparsely populated regions of the programme.

**d) For 2025 commitments the N+3 decommitment target is 31/12/2028:**

All allocations of the programme up to 2025 included (as indicated in the Financial Plan in force on 31/12/2028) covering, where relevant, all Funds (including transfers between Funds), all categories of region, for the AMIF, the BMVI and the ISF programmes – additional allocations from the Thematic Facility, from the mid-term review based on the HOME Fund-specific Regulations and from the contributions of the Schengen Associated Countries to the programmes, and the allocation for the outermost and northern sparsely populated regions:

- minus the pre-financing for years 2021-2026 due in accordance with applicable legislation and its amendments in force (Article 90 CPR and relevant Fund-specific Regulations)
- minus payment applications drawn up in accordance with Articles 91-92 CPR and submitted by 31/12/2028

for all Funds (regardless of source of funding – NGEU or MFF), all categories of region and the allocation for the outermost and northern sparsely populated regions of the programme.

**e) For 2026 commitments the N+3 decommitment target is 31/12/2029:**

All allocations of the programme up to 2026 included (as indicated in the Financial Plan in force on 31/12/2029) covering, where relevant, all Funds (including transfers between Funds), all categories of region, for the AMIF, the BMVI and the ISF programmes – additional allocations from the Thematic Facility, from the mid-term review based on the HOME Fund-specific Regulations and from the contributions of the Schengen Associated Countries to the programmes, and the allocation for the outermost and northern sparsely populated regions:

- minus the pre-financing for years 2021-2026 due in accordance with applicable legislation and its amendment in force (Article 90 CPR and relevant Fund-specific Regulations)
- minus payment applications drawn up in accordance with Articles 91-92 CPR and submitted by 31/12/2029

for all Funds (regardless of source of funding – NGEU or MFF), all categories of region and the allocation for the outermost and northern sparsely populated regions of the programme.

**f) For the final year's (2027) commitments:**

According to Article 105 (2) of CPR *“The part of commitments still open on 31 December 2029 shall be decommitted if the assurance package and the final performance report for programmes supported by the ERDF, the ESF+, the Cohesion Fund, the JTF and the EMFAF have not been submitted to the Commission by the time limit set out in Article 43(1).”*



Hence, the 2027 commitments shall be decommitted in accordance with the rules to be followed for the closure of the programmes. They are assessed within the closure procedure, and they can be covered by payment applications submitted until the deadline for the final payment application in accordance with Article 91 of the CPR. It should be noted that, in all cases, payment applications should refer to eligible expenditure incurred by a beneficiary or a private partner of a Public Private Partnership (PPP) operation and paid in implementing operations by 31/12/2029 in accordance with Article 63 CPR.

By way of illustration, in the Annexes to this note are examples of the N+3 decommitment target calculation for a cohesion multi-fund programme (*Annex 1*), a JTF programme (*Annex 2*), an ETC programme (*Annex 3*), an EMFAF programme (*Annex 4*) and AMIF, BMVI, ISF programmes (*Annex 5*), as they have different levels of pre-financing. *Annex 6* provide additional example in case of programmes' amendments and their impact on the calculation of the decommitment risk.

It should be noted that all examples are only indicative. The real data input depends on the financial plan of a specific programme, its implementation and on the legislation in force at the time of the assessment (e.g. the level of pre-financing).

### **3. How to apply the decommitment in compliance with the regulatory framework?**

In line with the principle of budgetary discipline, if, at the level of the programme, there is an amount to be decommitted, this decommitment needs to be assigned where it has been identified. For the ERDF, CF and ESF+, this should be done proportionally in relation to the Fund where the programme did not meet the decommitment target.

For the JTF, from a decommitment point of view, the calculations do not differentiate between the source of funding (MFF or NGEU). The decommitments will be made on the oldest open budgetary commitment<sup>20</sup>. It should be noted that, with the introduction of the STEP Regulation and the consequent higher pre-financing established for the STEP priorities and for all JTF allocations, the N+3 targets are considerably reduced. This applies particularly to all JTF funded programmes, where the pressure for N+3 decommitment targets is particularly high due to the concentration of commitments in the first years of the programming period.

The amount to be decommitted in the programme, with the split by Fund where relevant, resulting from the calculation described in this Section, will be included in the decommitment letter sent by the Commission to the concerned Member State and will be used by the Commission in the case referred to in the second subparagraph of Article 107(3) CPR (in the absence of a submission by a Member State of a financial plan complying with the requirements of the first subparagraph of Article 107(3) CPR).

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<sup>20</sup> In line with Article 4(5) of the JTF Regulation (EU 2021/1056), JTF payment shall be posted first on the NGEU commitments. Therefore, in the case of N+3 decommitments for a JTF mono-fund programme, and if the amount of the decommitment is lower than the respective MFF allocation up to year N, decommitments will be made only on the MFF part of the respective allocation. If the amount of the decommitment is higher than the MFF allocation up to year N, the entire respective MFF allocation will be decommitted and remaining decommitment will be made on the still open NGEU part of the respective allocation.

For the calculation of the amounts to decommit and the determination of their split among Funds, the following steps are taken into consideration:

- I. Firstly, a **theoretical decommitment risk** will be applied **by Fund**. This will be done in the same way as set out under Section 2 above. The important difference is that, in this case, the calculation is done by Fund (not at programme level as it is done for the calculation of the risk of decommitment).  
This means that for a programme supported by the Cohesion Fund, the ERDF, the ESF+ and JTF, the theoretical decommitment risks will be calculated separately for each Fund. In the case of JTF this calculation will be done without making distinction between the source of funding. This means, for instance, for the budgetary commitments made by 2022 (representing a target amount for 31/12/2025), that the theoretical decommitment risk is calculated for:
  - ESF+
  - ERDF
  - Cohesion Fund
  - JTF (without making distinction between the source of funding)
- II. Secondly, in line with Article 107(3), where the **theoretical decommitment risk has materialised for a specific Fund**, Member States are to execute the decommitment on this Fund by reducing the amount of support for one or more priorities. As for JTF there is no differentiation between the source of funding, NGEU funding and voted budget under the MFF will be calculated together. However, the **amount** to be decommitted will be the amount that has been established at programme level (after having considered the compensations across Funds)<sup>21</sup>.

In case the **theoretical decommitment risk has materialized for more than one Fund**, a pro rata is to be calculated for each Fund within the programme. This pro rata will then be applied to the total amount to be decommitted (which is established at programme level) and will be again split by the respective priorities, for which the support will be reduced.

In both cases, Member States have the discretion on deciding for which priorities the support will be reduced. In compliance with Article 107(3) of the CPR, by 30 June N+4 the Member State must submit an amended financial plan of a programme affected by the decommitment. The financing plan should reflect the decommitted amount among Funds and priorities.

In case Member States fail to submit the amended financing plan by the 30 June N+4, in line with the second paragraph of Article 107(3), the Commission shall amend the financing plan, by splitting the respective reduction by priority proportionately to the amounts concerned by the decommitment.

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<sup>21</sup> For example, in a programme with ERDF and JTF allocation, if the JTF N+3 target is not met by EUR 3 million, while the ERDF N+3 target is surpassed by EUR 2 million, the actual decommitment to be done on the JTF allocation will amount to only EUR 1 million. Whether this decommitment will be made on the MFF or the NGEU allocation depends on its size in comparison to the respective MFF allocation. For more details, please see text of footnote 20.

*Annex 4* illustrates the calculation in case of EMFAF programmes where the decommitment is applied at the level of the programme.

For the AMIF, BMVI and ISF, while the amounts are committed at the programme level only (Table 5 of Annex VI CPR), considering the structure of the financial plan of the programme (Table 6 of Annex VI CPR), the decommitment/modification of the financial plan of the programme is recommended to be done proportionally in relation to the Specific Objective and Type of Action. *Annex 6* provides an example of such an approach and illustrates the calculation of decommitted amounts at Specific Objective/Type of Action level. The Member State may however also propose a different distribution of the decommitted amount depending on specific circumstances of a given programme. This is without prejudice to legal requirements related to compliance with certain allocation thresholds and/or use of amounts earmarked to the Member States programmes in relation to components from the Thematic Facility, pursuant to the applicable EU legislation in force at the time of the assessment. It should be noted that the option for a different distribution of the decommitted amount is applicable only to the AMIF, BMVI and ISF Funds and it is due to the specific financial management rules applicable to those Funds.

## 4. Annexes

### Annex 1: Calculation of the decommitment risk for a multi-fund cohesion programme

#### Example 1: programme funded by standard cohesion funds (ERDF, CF, ESF+) - flat annual distribution profile

(Scenario: STEP dedicated priorities amounting to 5% of the total allocation)

Calculation of N+3 risk if programmes are adopted in 2022 (reprogramming) Scenario: STEP dedicated priorities amounting to 5% of the total allocation - in EUR									Calculation of N+3 risk if programmes are adopted in 2023 (carry over) Scenario: STEP dedicated priorities amounting to 5% of the total allocation - in EUR								
Financial year	Amounts in the financing plan	Annual pre-financing		FAST CARE pre-financing		STEP pre-financing (30% on STEP dedicated priorities)		Amount to cover with interim payment applications	Financial year	Amounts in the financing plan	Annual pre-financing		FAST CARE pre-financing		STEP pre-financing (30% on STEP dedicated priorities)		Amount to cover with interim payment applications
2021		0,50%	-		-		-		2021		0,50%	-		-		-	
2022	125.000.000	0,50%	7.000.000	0,50%	3.500.000		-		2022	125.000.000	0,50%	7.000.000	0,50%	3.500.000		-	
2023	125.000.000	0,50%	3.500.000	0,50%	3.500.000		-		2023	125.000.000	0,50%	3.500.000	0,50%	3.500.000		-	
2024	125.000.000	0,50%	3.500.000		-		-		2024	125.000.000	0,50%	3.500.000		-		-	
2025	125.000.000	0,50%	3.500.000		-	30,00%	10.500.000	90.000.000	2025	125.000.000	0,50%	3.500.000		-	30,00%	10.500.000	
2026	100.000.000	0,50%	3.500.000		-		-	211.500.000	2026	100.000.000	0,50%	3.500.000		-		-	211.500.000
2027	100.000.000							336.500.000	2027	100.000.000							336.500.000
2028								461.500.000	2028								461.500.000
2029								561.500.000	2029								561.500.000
2030									2030								
Total	700.000.000		21.000.000		7.000.000		10.500.000		Total	700.000.000		21.000.000		7.000.000		10.500.000	

**Annex 2: Calculation of the decommitment risk for a JTF programme****Example 2: mono JTF fund programme - 70% of the envelope in 2023 and 2024**

(STEP =&gt; 30% prefinancing in 2024 on the total JTF allocation)

Calculation of N+3 risk if programmes are adopted in 2022 (reprogramming) - in EUR									Calculation of N+3 risk if programmes are adopted in 2023 (carry over) - in EUR								
Financial year	Amounts in the financing plan	Annual pre-financing		FAST CARE pre-financing		STEP pre-financing		Amount to cover with interim payment applications	Financial year	Amounts in the financing plan	Annual pre-financing		FAST CARE pre-financing		STEP pre-financing		Amount to cover with interim payment applications
2021		0,50%	-		-		-		2021		0,50%	-		-		-	
2022	248.000.000	0,50%	7.000.000	0,00%	-		-		2022	248.000.000	0,50%	7.000.000	0,00%	-		-	
2023	251.000.000	0,50%	3.500.000	0,00%	-		-		2023	251.000.000	0,50%	3.500.000	0,00%	-		-	
2024	54.000.000	0,50%	3.500.000		-	30,00%	210.000.000		2024	54.000.000	0,50%	3.500.000		-	30,00%	210.000.000	
2025	55.000.000	0,50%	3.500.000		-		-	20.500.000	2025	55.000.000	0,50%	3.500.000		-		-	
2026	46.000.000	0,50%	3.500.000		-		-	268.000.000	2026	46.000.000	0,50%	3.500.000		-		-	268.000.000
2027	46.000.000							322.000.000	2027	46.000.000							322.000.000
2028								377.000.000	2028								377.000.000
2029								423.000.000	2029								423.000.000
2030									2030								
Total	700.000.000		21.000.000		-		210.000.000		Total	700.000.000		21.000.000		-		210.000.000	

**Annex 3: Calculation of the decommitment risk for an ETC programme****Example 3: ETC programme**

Calculation of N+3 risk if programmes are adopted in 2022 (reprogramming) - in EUR									Calculation of N+3 risk if programmes are adopted in 2023 (carry over) - in EUR								
Financial year	Amounts in the financing plan	Annual pre-financing		FAST CARE pre-financing		STEP pre-financing		Amount to cover with interim payment applications	Financial year	Amounts in the financing plan	Annual pre-financing		FAST CARE pre-financing		STEP pre-financing		Amount to cover with interim payment applications
2021		1,00%	-		-		-		2021		1,00%	-		-		-	
2022	125.000.000	1,00%	14.000.000	n/a			-		2022	125.000.000	1,00%	14.000.000	n/a			-	
2023	125.000.000	3,00%	21.000.000	n/a			-		2023	125.000.000	3,00%	21.000.000	n/a			-	
2024	125.000.000	3,00%	21.000.000		-	n/a			2024	125.000.000	3,00%	21.000.000		-	n/a		
2025	125.000.000	3,00%	21.000.000		-		-	48.000.000	2025	125.000.000	3,00%	21.000.000		-		-	
2026	100.000.000	3,00%	21.000.000		-		-	152.000.000	2026	100.000.000	3,00%	21.000.000		-		-	152.000.000
2027	100.000.000							277.000.000	2027	100.000.000							277.000.000
2028								402.000.000	2028								402.000.000
2029								502.000.000	2029								502.000.000
2030									2030								
Total	700.000.000		98.000.000		-		-		Total	700.000.000		98.000.000		-		-	

**Annex 4: Calculation of the decommitment risk for an EMFAF programme****Example 4: EMFAF programme**

Calculation of n+3 risk if programmes are adopted in 2022 (reprogramming) - in EUR					Calculation of n+3 risk if programmes are adopted in 2023 (carry over) - in EUR				
Financial year	Amounts in the financing plan	Annual pre-financing		Amount to cover with interim payment applications	Financial year	Amounts in the financing plan	Annual pre-financing		Amount to cover with interim payment applications
2021	-	0.50%	-		2021	-	0.50%	-	
2022	15.000.000	0.50%	850.000		2022	15.000.000	0.50%	-	
2023	15.000.000	0.50%	425.000		2023	15.000.000	0.50%	1.275.000	
2024	15.000.000	0.50%	425.000		2024	15.000.000	0.50%	425.000	
2025	15.000.000	0.50%	425.000	12.875.000	2025	15.000.000	0.50%	425.000	
2026	15.000.000	0.50%	425.000	27.450.000	2026	15.000.000	0.50%	425.000	27.450.000
2027	10.000.000			42.450.000	2027	10.000.000			42.450.000
2028				57.450.000	2028				57.450.000
2029				72.450.000	2029				72.450.000
2030					2030				
	85.000.000		2.550.000			85.000.000		2.550.000	

**Annex 5: Calculation of the decommitment risk for AMIF, BMVI, and ISF programmes**

<b>Annex 5: Example for AMIF, BMVI, ISF programme</b>									
<b>Calculation of N+3 risk if programmes are adopted in 2022 (reprogramming)</b>					<b>Calculation of N+3 risk if programmes are adopted in 2023 (carry over)</b>				
<b>Financial year</b>	<b>Amounts in the financing plan</b>	<b>Annual pre-financing</b>		<b>Amount to cover with payment applications</b>	<b>Financial year</b>	<b>Amounts in the financing plan</b>	<b>Annual pre-financing</b>		<b>Amount to cover with payment applications</b>
2021		4%	—		2021		4%	—	
2022	125,000,000	3%	49,000,011		2022	125,000,000	3%	49,000,011	
2023	125,000,000	5%	35,000,008		2023	125,000,000	5%	35,000,008	
2024	125,000,000	5%	35,000,008		2024	125,000,000	5%	35,000,008	
2025	125,000,000	5%	35,000,008	0	2025	125,000,000	5%	35,000,008	
2026	100,000,150	5%	35,000,008	60,999,960	2026	100,000,150	5%	35,000,008	60,999,960
2027	100,000,000			185,999,960	2027	100,000,000			185,999,960
2028				310,999,960	2028				310,999,960
2029				411,000,110	2029				411,000,110
2030					2030				
	<b>700,000,150</b>		<b>189,000,041</b>			<b>700,000,150</b>		<b>189,000,041</b>	



**Annex 6: Calculation of the N+3 decommitment for the amendment of the financial plans of AMIF, BMVI, ISF programmes**

<b>AMIF, BMVI, ISF: Decommitment and Amendment of the Programme - Example of target date 31/12/2027 for 2024 commitments)</b>											
Financial allocation of the programme				Decommitment at programme level			Application of de-commitment at SO/TA level				
Specific objective (SO)	Type of action (TA)	Programme allocation by SO/TA	Proportion of the programme allocation by SO/TA	Target N+3 for the programme for 2027	Amount covered by pre-financing and payment applications at programme level up until 31/12/2027	Amount to de-commit	Theoretical disaggregation of the amount covered by pre-financing by SO/TA <sup>1</sup>	Amount covered by payment applications	Theoretical amount covered by pre-financing and payment applications by SO/TA <sup>1</sup>	Pro rata of theoretical amount covered by pre-financing and payment applications by SO/TA <sup>1</sup>	Proposed amounts to be decommitted by SO/TA
			(a/Total a)				(pre-financing up to end of 2024 * b)		(f+g)	(h/Total h)	(e * i)
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
SO1	Regular Actions	196,000,000	28%	375,000,000	320,000,026	54,999,975	33,320,000	76,000,000	109,320,000	34%	18,789,365
SO1	Specific Actions	84,000,000	12%				14,280,000	12,000,000	26,280,000	8%	4,516,873
SO1	Annex IV Actions	98,000,000	14%				16,660,000	10,000,000	26,660,000	8%	4,582,185
SO1	Operating support	70,000,000	10%				11,900,000	18,000,000	29,900,000	9%	5,139,060
SO2	Regular Actions	154,000,000	22%				26,180,000	62,940,000	89,120,000	28%	15,317,492
SO2	Annex IV Actions	58,377,500	8%				9,924,175	10,000,000	19,924,175	6%	3,424,466
Technical assistance - flat rate		39,622,650	6%				6,735,851	12,060,000	18,795,851	6%	3,230,535
<b>Total</b>		<b>700,000,150</b>	<b>100%</b>				<b>119,000,026</b>	<b>201,000,000</b>	<b>320,000,026</b>	<b>100%</b>	<b>54,999,975</b>

<sup>1</sup> This is needed in order to establish the amounts of the **proposed** decommitment by SO/TA